

California Postsecondary Education Commission



Public Higher Education Performance Accountability Framework Report

Goal: Contributions to Economic, Civil, and Social Development

Measure: Per Capita Income by Educational Attainment

Public Higher Education Accountability Framework

- Under State law, the Commission is the public agency with data needed to assess student success across the education systems.
- Priority is to achieve the best-educated and prepared workforce and population.

Findings

- Increase in earnings is substantially more for any college degree than having some college or just high school diploma.
- All age, ethnic and gender groups earn more if they have a degree
- Improving English proficiency is a powerful way to increase earnings
- California offers greater income rewards for a bachelor's degree than similar states.

Education Triggers a Chain of Benfits



Measuring Financial Reward for Education

Display 1: Calculating the financial reward to a Bachelor's Degree

Californian's with a Graduate or Professional Degree on average earned \$77,991 in 2005

Californian's with a Bachelor's Degree on average earned \$56,296 in 2005

Californian's with an Associates Degree on average earned \$39,701 in 2005

Californian's with some college but no degree on average earned \$33,674 in 2005

Californian's with a High School diploma or GED on average earned \$27,024 in 2005

Californian's with less than a High School education on average earned \$18,790 in 2005

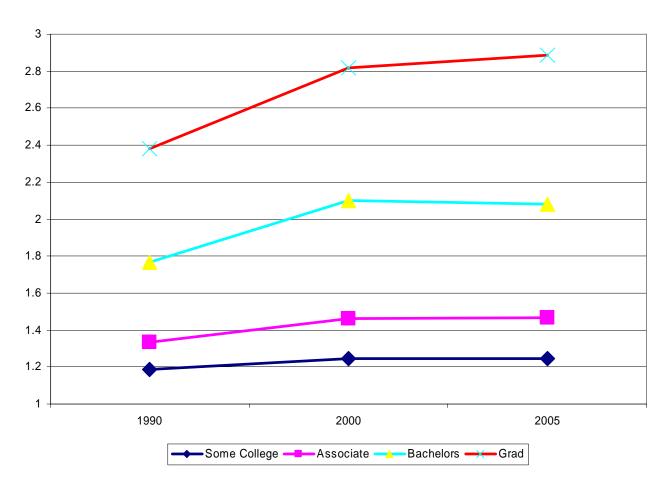
Financial
Reward to a Bachelor's
Degree in 2005 $= \frac{\$56,296}{\$27,024} = 2.08$

Interpretation: Californians with a Bachelor's Degree earned 108% more than those with a High School education or GED.

Patterns in Financial Reward for Education...Same for All Gender, Age and Ethic Groups

Display 3 - Financial reward for Education for California: 1990-2005

The income of those with a particular degree
divided by the income of those with a High School diploma or GED



Improving English Proficiency Increases Incomes

- Learning to "speak English well" increased income by 136%, without degree.
- Those who "did not speak English well at all" increased income by only 90% by getting a degree.

Policy Considerations

- Provide adequate English-as-a-second Language education
- 2. Eliminate waiting in Community Colleges, Evening Adult Education and University Extensions.
- Use incentives to involve employers in providing ESL Educations

Policy Considerations

- Focus resources on persuading students to get a degree.
 - Use data on the benefits of degrees to motivate atttendence

Policy Considerations

- Track graduates from California postsecondary public education.
 - Provide the Commission with authority and resources to collect and compile data on outcomes of students from kindergarten to retirement.

Questions?

